



**APPROVED MINUTES**  
**Idaho Soil Conservation Commission**  
**2270 Old Penitentiary Road**  
**Boise, Idaho**

The Idaho Soil Conservation Commission (ISCC) held its regular, bi-monthly meeting on November 7, 2004 in the Washington Room at the University Inn in Moscow, Idaho. Attendance was as follows:

Members: Bill Whittom, Chairman  
J. Morgan Evans, Vice-Chairman  
Gary Grindstaff, Secretary  
Jerry Reid, Member  
Tom Johnston, Member

Advisors: Kyle Hawley, Idaho Association of Soil Conservation  
Districts (IASCD)  
Rich Sims, USDA-Natural Resources Conservation Service  
(NRCS)

Advisors not present: Paul McCawley, University of Idaho (U of I)

Others: Brenda Thomasson, ISCC  
Kathy Weaver, ISCC  
Jennifer Ambrose, ISCC  
Christy Mastin, ISCC  
Claude Bruce, Payette SWCD/IASCD Board  
Kent Foster, IASCD  
Kathie Shea, ISCC  
Dennis Dau, NezPerce SWCD  
Tony Bennett, ISCC  
Janet Hohle, ISCC  
Biff Burleigh, ISCC  
Roger Stutzman, IASCD  
Billie Brown, IDEA

PO Box 790  
2270 Old Penitentiary Road  
Boise, ID 83701-0790

(208) 332-8650  
Fax (208) 334-2386

[www.scc.state.id.us](http://www.scc.state.id.us)

Governor  
Dirk Kempthorne

Commission members  
Jerry Reid  
Bill Whittom  
J. Morgan Evans  
Gary Grindstaff  
Tom Johnston

Administrator  
Jerry Nicolescu

**Welcome/Announcements**

Chairman Whittom called the meeting to order at 9:01 A.M. and welcomed everyone to the meeting. Christy Mastin was introduced as the Commission's new loan officer.

## **Minutes**

Whittom asked if the minutes had been read. Everyone acknowledged that they had taken the opportunity to read them. Grindstaff noted one minor change to the September minutes. Grindstaff moved to approve the September 13, 2004 minutes as corrected. Johnston seconded the motion and it carried.

## **Financial Reports**

### *October 2004 General Fund Report*

Thomasson presented the October financial report and distributed an updated financial report, current as of October 31, 2004. She noted we are doing well, having expended only 33% of our available funds. There were some concerns over the greatly elevated amount of expenditures related to vehicle maintenance. It was explained that since no vehicle purchases had been approved by legislature, increasing maintenance costs cannot be avoided. After some discussion of vehicles and possible solutions to the Commission's currently dilapidated fleet, Johnston moved to approve the financial report. Grindstaff seconded and the motion carried.

## **Executive Session**

At 9:20 A.M., Dennis Dau of the Nez Perce SWCD requested an executive session during which he might address the Commission regarding sensitive personnel/legal matters. Evans moved the Commission adjourn to executive session pursuant to Idaho Code § 67-2345. Johnston seconded the motion and roll call was taken. Roll Call Vote: Whittom – Aye; Evans – Aye; Grindstaff – Aye; Johnston – Aye; Reid – Aye; the motion carried. No formal actions were taken during executive session and the Commission meeting returned to open meeting at 10:07 A.M.

## **Financial Reports, continued**

### *Resource Conservation and Rangeland Development Program (RCRDP) Fiscal Report*

Mastin delivered the RCRDP financial report, reviewing balances and obligated funds. After little discussion, Johnston moved to approve the RCRDP financial report. Evans seconded and the motion passed.

Rich Sims, Kent Foster, Janet Hohle, Roger Stutzman, and Billie Brown were welcomed to the meeting.

## RCRDP Loan Application(s) Reviews

*Markus Green*

Mastin presented the Green application. After a brief review, Grindstaff moved to table the loan pending a review of the debt to asset ratio. Evans seconded the motion and it carried. Details of the application are noted below:

<b>Signing Parties:</b> Markus Green		
<b>Loan Amount:</b> \$27,000	<b>Term:</b> 10 Years	<b>Rate:</b> 4%
<b>Conditions:</b>	<ul style="list-style-type: none"> <li>· ISCC to be secured by chattel properties as noted below:                             <ul style="list-style-type: none"> <li>○ Two (2) 1,300-foot wheel line</li> <li>○ One (1) 1,175-foot wheel line</li> <li>○ One (1) 1,250-foot wheel line</li> </ul> </li> <li>· ISCC to be secured by an insured 2<sup>nd</sup>-position R/E mortgage on 70 acres – 1<sup>st</sup> lien amount of \$108,000 to Zion's bank</li> <li>· Value of R/E to be established by an acceptable evaluation source</li> <li>· ISCC to secure 1<sup>st</sup> lien on equipment to be purchased (UCC-1)</li> <li>· Secured equipment to be insured for life of loan</li> </ul>	
<b>Disposition:</b>	Tabled pending review of revised debt-to-asset ratio. Mastin to present later in 11/07/04 meeting, 11/10/04 meeting, or via teleconference in December	

*Barry Bollwinkel*

There was some discussion regarding priority during the review of the Bollwinkel application. Grindstaff moved to approve the application as submitted and Evans seconded. The motion passed without further discussion. Details of the Bollwinkel loan requests as noted below:

<b>Signing Parties:</b> Barry & Rhoda Bollwinkel		
<b>Loan Amount:</b> \$35,000	<b>Term:</b> 10 Years	<b>Rate:</b> 4 %
<b>Conditions:</b>	<ul style="list-style-type: none"> <li>· ISCC to secure 2<sup>nd</sup>-position R/E mortgage on 156 acres</li> <li>· Value of R/E to be established by an acceptable evaluation source</li> <li>· ISCC to secure 1<sup>st</sup> lien on equipment to be purchased (UCC-1)</li> <li>· Secured equipment to be insured for life of loan</li> </ul>	
<b>Disposition:</b>	Approved as requested	

*Ivan and Janis Shetler*

Mastin presented a loan request for the Shetlers. Concerns were expressed over applicant's previous credit history and their requested ten-year loan term. Evans moved to deny the request as presented. Johnston seconded the motion and it passed by majority vote. Details of the Shetler loan noted below:

<b>Signing Parties:</b> Ivan and Janis Shetler			
<b>Loan Amount:</b>	\$5,000	<b>Term:</b>	10 Years <b>Rate:</b> 4 %
<b>Conditions:</b>	<ul style="list-style-type: none"> <li>· Reduced term – 7 years – based on policy stipulations for collateral-only security.</li> <li>· ISCC to secure 1<sup>st</sup> lien on equipment to be purchased (UCC-1)</li> <li>· Secured equipment to be insured for life of loan</li> </ul>		
<b>Disposition:</b>	Denied with recommendation to reapply for said loan with a five-year term		

*David Patrick*

Mastin presented a loan request for David Patrick. Recommendations were made to deny the application based an excessive debt-to-income ratio and debt-to-asset ratio. After hearing Mastin's summary, Grindstaff moved to deny the loan for reasons cited in recommendation. Reid seconded the motion and it passed unanimously. Details of the Patrick application noted below:

<b>Signing Parties:</b> David Patrick			
<b>Loan Amount:</b>	\$40,000	<b>Term:</b>	10 Years <b>Rate:</b> 4 %
<b>Conditions:</b>	<ul style="list-style-type: none"> <li>· 2<sup>nd</sup>-position R/E mortgage on 69 acres</li> <li>· ISCC to secure 1<sup>st</sup> lien on equipment to be purchased (UCC-1)</li> <li>· Secured equipment to be insured for life of loan</li> </ul>		
<b>Disposition:</b>	Denied		

*Vivian Diass*

Mastin presented a loan action item for review. Farm Credit recently requested the Commission to subordinate the mortgage held on the Diass property. The loan was originally secured by a second-position mortgage on Diass' acreage. Since that time, the first mortgage paid off and the Commission now holds a first-position lien. There is some discussion as to Diass' options and Evans moved to table the decision until a lien search could be conducted. Johnston seconded and the motion passed.

### *Kinsey Family LLP*

The Kinsey Family LLP has requested an increase in their loan term from 5 to 15 years. Grindstaff moved to approve this change and Reid seconded. Motion carried without discussion.

### *Heath and Stephanie Gartner*

Mastin presented the final loan action item for review. The Gartners requested an additional \$2,000 on their recently approved loan due to cost overruns on their project. There was a brief discussion of rising pipe prices, and Johnston moved to approve the request. Grindstaff seconded the motion and it passed.

## **Water Quality Program for Agriculture (WQPA) Projects**

Burleigh made a brief presentation of current WQPA projects. A summary of projects, including recommended rank, was disbursed and reviewed. Grindstaff moved to approve the priority list as it was presented and Evans seconded the motion. There was mention of the Districts receiving CSP funding (Sims noted Yellowstone, Lewis, Custer, and Latah Districts were affected) and there was brief deliberation regarding whether or not the additional funding (CSP) should affect the district's priority ranking. Motion carried. A summary of the WQPA projects reviewed is included below:

<b>Project</b>	<b>District</b>	<b>WQPA Cost-Share Amount</b>
Santa Creek	Benewah	\$27,885
Cow Creek	Latah	\$89,100
Potlatch River	Latah	\$89,100
Camas Prairie Nitrate Project	Lewis	\$53,625
Lower Payette River	Gem	\$68,431
W Drain Project	Gooding	\$65,102
Pahsimeroi	Custer	\$226,851
Challis Creek	Custer	\$90,684
Ashton	Yellowstone	\$141,557
North Shoshone Project	Wood River	\$330,000
<b>10 projects</b>	<b>8 Districts</b>	<b>\$1,182,335 Total WQPA Funding</b>

After WQPA projects were reviewed, there was brief discussion on CSP – NRCS will be going out and working with Districts in the selected watersheds to train personnel on CSP specifics. Public meetings/open houses slated to begin late winter.

## **Five-Year Plans**

Weaver and Shea reported on Districts' Five-Year Plans and Conservation Resource Business Plans. Reid moved to approve the report and Johnston seconded. The motion

passed. There was some discussion on format and adherence to policy. Evans suggested a recommendation go out that all districts follow approved formats.

### **RCRDP Loan Application(s) Reviews, continued**

Grindstaff moved to bring Green's loan application back for discussion and Johnston seconded. Motion passed. Mastin reported that Green had a debt-to-asset ratio of 34%. Reid moved to approve the application as requested. Evans seconded and the motion carried.

Robert Blair and Kyle Hawley joined the meeting.

### **TMDL Update Report**

Tony Bennett distributed a TMDL progress report with a summary of agricultural component status and statewide progress maps and briefly reviewed the documents. Regional maps and reports were also made available. Bennett went on to report that Justin Krajewski has been hired as the new range and riparian specialist, replacing David Ferguson. Karie Pappani has been hired as the new Water Quality Resource Conservationist for IASCD in Idaho Falls.

### **Executive Session**

Jerry Nicolescu joined the meeting and it was suggested that in order to discuss personnel and legal issues, Grindstaff moved the Commission adjourn to executive session pursuant to Idaho Code § 67-2345. Johnston seconded the motion and roll call was taken. Roll Call Vote: Whittom – Aye; Evans – Aye; Grindstaff – Aye; Johnston – Aye; Reid – Aye; the motion carried. The Commission entered into executive session at 11:10 A.M. No formal actions were taken during executive session and the Commission meeting returned to open meeting at 11:55 A.M.

### **ISCC/IASCD Joint Luncheon**

After a short break, IASCD board members joined the Commission for a working luncheon at 12:20 P.M. Nicolescu welcomed everyone to lunch and began by explaining District Law and its definitions of eligible supervisors. According to Idaho Code, a supervisor need not reside within a particular District; only own land or farm within the District's boundaries. Both Koester and Reid suggest that since every other elected office stipulates specific residency requirements, district law should be updated. A length discussion of eligibility, sensible interpretation, and the expense of law change ensued.

Several topics were also briefly discussed as noted below:

- Proposed partnership display(s) lending policy to be developed
  - First-time borrowers should receive at least basic instruction on setup and take down before product is lent out
  - Borrowers must acknowledge financial responsibility in the event displays are lost or damaged
- Legislative display is scheduled for February 22-23<sup>rd</sup> on the fourth floor of the rotunda
  - Suggestions for a theme include "Locally Led Partnerships" and "Conservation Innovations"
- An MOU has been between OSC, DEQ and the partnership has not yet been signed
  - Toni Hardesty has not been available for a meeting
  - Should have signed agreement or at least more details by January 05 meeting
- NRCS specifications are currently the standard by which all projects are measured
  - Program participants are highly encouraged to observe NRCS specifications
  - ISCC will not bear liability of failed practices if they have not been approved by NRCS
  - New NRCS standards must be reviewed by the technical service staff and approved in writing
  - "Interim Standard" status may be applied for up to three years but a recommendation must be made within that period for the practice to be a nationally recognized standard.
  - Sims to produce a document detailing the process of standard approval and Nicolescu to write a cover letter to accompany. Both will be mailed out to Districts to clarify.
- QuickBooks has been a recent topic of contention.
  - Some Districts protest submitting their QuickBooks files to the Commission based on confidentiality issues, such as a cooperator's financial information
  - The Commission respects the individual's right to privacy and there are several simple methods by which confidentiality may be observed
  - Both the privacy of submitted information and the security of the information transfer are issues of concern
- EQIP cost shares should be utilized for practices in 2005 so that landowners/landusers may be eligible for CSP assistance in 2006.
  - Districts in watersheds eligible for CSP may experience a shortage of technical assistance
  - NRCS may be able to fund administrative positions in affected districts to assist with workload

### **Executive Session**

In order to discuss personnel and legal issues, Reid moved the Commission adjourn to executive session pursuant to Idaho Code § 67-2345. Johnston seconded the motion and roll call was taken. Roll Call Vote: Whittom – Aye; Evans – Aye; Grindstaff - Aye; Johnston – Aye; Reid – Aye; the motion carried. The Commission entered into executive session at 1:12 P.M. No formal actions were taken during executive session and the Commission meeting returned to open meeting at 4:55 P.M.

### **Adjournment**

With no further business to discuss, Evans moved to adjourn the meeting at 4:56 P.M. Johnston seconded and the motion carried.

Respectfully submitted by Jenn Ambrose, Administrative Assistant.